



Department of Environmental Protection Office of Inspector General

August 18, 2026

Report A-2526DEP-032

Audit of Agreement TG019 with Wakulla County

INTRODUCTION

The Florida Department of Environmental Protection (Department) Office of Inspector General (OIG) conducted an Audit of Agreement TG019 (Agreement) with Wakulla County (Grantee). This audit was initiated as a result of the OIG Annual Audit Plan for Fiscal Year (FY) 2025-2026.

AUDIT SCOPE, OBJECTIVES, AND METHODOLOGY

The scope of the audit included the activities, records, and disbursements associated with the Agreement between the Department and Grantee from October 1, 2024, to the present. The objective of the audit was to evaluate Department oversight and determine whether the Grantee complied with the requirements of the Agreement, including deliverables and disbursements.

To achieve our audit objectives, our methodology included:

- Reviewing applicable statutes, regulations, Department procedures, and other authoritative documents.
- Reviewing the requirements of the Agreement, attachments, and amendments.
- Conducting analyses of Grantee activities and related grant documents.
- Reviewing appropriate documentation relating to deliverables, invoices, communications, and other supporting documentation.
- Interviewing appropriate Department employees regarding the processes and controls used in the duration of the Agreement.

BACKGROUND

Pursuant to Section 260.0145, Florida Statutes (F.S.), the Local Trail Management Grant Program (TRAIL-GO) was created within the Department to assist local governments with costs associated with the operation and maintenance of trails within the Florida Greenways and Trails System. The Division of Recreation and Parks (Division) Office of Greenways and Trails administers and provides oversight for the TRAIL-GO program. The statute was signed into law on April 4, 2024, and the Department received \$4 million for the program for FY 2024-2025. Grant funds could only be used for the operations and maintenance of trails, such as the purchase of equipment and capital assets, repairs to ensure the safety of trail users, pressure washing, bush pruning, and clearing debris. Grant funds could not be used for the planning, design, or construction of new trails. Grants were awarded on a first-come, first-served basis with priority given to local governments that provide cost share (except for trails within fiscally constrained counties

or rural areas of opportunity) and trails within the Florida Wildlife Corridor. Thirty-six grants were awarded to 22 local governments for FY 2024-2025, including Wakulla County for its Hudson Park Trail. The program was not funded for FY 2025-2026 and the authorizing statute was repealed on June 30, 2025.

The Department entered into the Agreement with the Grantee on January 10, 2025. The Agreement was for the installation of LED security lights on the county's Hudson Park Trail. This was a cost-reimbursement agreement with a total award amount of \$135,000 with no grantee match requirements. Costs that were eligible for reimbursement included subcontractors, equipment, and miscellaneous/other expenses; however, the Agreement budget detail only included a budget category of miscellaneous/other expenses. The reimbursement period for the Agreement began on October 1, 2024, and ended at the expiration of the Agreement, which was amended to December 31, 2025. The Department made one payment to the Grantee totaling \$82,716.57.

RESULTS OF AUDIT

During the audit, we reviewed documentation related to the Agreement's requirements, the Grantee's completion of tasks and deliverables, payment requests, invoices, supporting documentation, and the Division's oversight of the Grantee's compliance with the Agreement. A summary of our review is below.

Tasks and Deliverables

The Agreement had one task that included two associated deliverables: 1) a Payment Request Summary Form for the installation of 20 LED security lights and 2) itemized quantity of materials for light fixture parts. These deliverables were due by December 31, 2025. Our review found that the Payment Request Summary Form and itemized invoices showing the quantity of materials were submitted prior to the deadline on September 25, 2025.

The Agreement required, *All deliverables must be received and accepted in writing by Department's Grant Manager before payment.* Also, Section 215.971(1)(b), F.S., requires deliverables to be accepted in writing before payment. Our review determined the Division did not provide written acceptance of deliverables to the Grantee. Based on the Agreement and discussions with the Grant Manager, this was primarily due to the payment request being part of the deliverables. Additionally, under Task 1, the Agreement stated, *Upon review and written acceptance by the Department's Grant Manager of the Project Completion Certificate and the Deliverables under each Project Task, the Grantee may proceed with the payment request submittal.* Our review determined that the Grantee did not submit a Project Completion Certificate as required.

Section 215.971(1)(b), F.S., also requires grant agreements to include quantifiable units of deliverables that *...must be directly related to the scope of work and specify the required minimum level of service to be performed and the criteria for evaluating the successful completion of each deliverable.* The Payment Request Summary Form does not quantify units of deliverables, specify the required minimum level of service to be performed, or specify evaluation criteria; it instead documents the total amount of costs being requested, their associated expenditure category, and a certification by the Grantee

that all costs were charged to and utilized only for the cited grant activities. Documentation that would have met the statutory criteria, such as the Progress Report Forms or the Final Project Report Form, were not submitted as required (see “Reports and Forms” section below). The Grantee did, however, submit photos of the trail before and after the light installation in addition to the required deliverables.

Reimbursements

According to the Agreement, *The Grantee shall be paid on a cost reimbursement basis for all eligible Project costs upon the completion, submittal, and approval of each deliverable identified in the Grant Work Plan. Reimbursement shall be requested on Exhibit C, Payment Request Summary Form.* As previously stated, the Payment Request Summary Form was submitted on September 25, 2025, as one of two deliverables. Costs that were eligible for reimbursement included contractual services, equipment, and miscellaneous/other expenses. However, as previously stated, the Agreement budget detail only included the budget category of miscellaneous/other.

Our review determined that the payment request was submitted in a timely manner, included only eligible expenses, and was substantiated by supporting documentation. The Grantee used a subcontractor to install the LED security lights and our review found that reimbursements for subcontractors were substantiated by invoices, tabulation forms, and other backup documentation as required. We also determined that the Grantee submitted the total reimbursement request under miscellaneous/other expenses in the Payment Request Summary Form. However, the invoices that were provided to substantiate the reimbursement request included the purchase of light fixture parts and subcontractor services for installation. As a result, contractual services appear to have been reimbursed under the incorrect budget category.

Additional Requirements

The Agreement detailed multiple responsibilities for the Grantee and Grant Manager aside from deliverables and reimbursement requests. We reviewed these responsibilities against the provided documentation to confirm compliance. Our results are outlined below.

Reports and Forms

The Agreement required the Grantee to submit several reports and forms, as described below.

- *The Grantee shall submit status reports quarterly, unless otherwise specified in the Attachments, on Exhibit A, Progress Report Form, to Department’s Grant Manager describing the work performed during the reporting period, problems encountered, problem resolutions, scheduled updates, and proposed work for the next reporting period. Quarterly status reports are due no later than twenty (20) days following the completion of the quarterly reporting period. For the purposes of this reporting requirement, the quarterly reporting periods end on March 31, June 30, September 30 and December 31. The Agreement was executed on January 10, 2025, and the final payment request was submitted on September 25, 2025; therefore, three reports would have been required during the grant period. However, we found that only one Progress Report Form had been submitted at the end of the project with the payment request. Instead of reporting quarterly updates*

on the status of the project, the Grantee reported activities for the entire performance period after the project had already been completed.

- *The Grantee must submit Exhibit F, Final Project Report Form, prior to requesting final payment. The Final Project Report may be submitted in lieu of the final quarterly status report, only in instances where the next quarterly report falls after the project's completion date.* Our review determined the Grantee did not submit a Final Project Report.
- *The Grantee must submit Exhibit G, Photo Release Form, with the first submission of deliverables and reports (Exhibit A and F) that include photos.* The Grantee submitted photos with the Progress Report Form; however, we determined that the Grantee did not submit a Photo Release Form.
- *For all grant agreements that include Contractual Services as an expenditure category, the Grantee must submit Exhibit H, Contractual Services Certification, and all required supporting documentation for all contractors conducting work under the grant agreement, prior to requesting payment that includes contractual services.* The Grantee used a subcontractor to install the LED security lights; however, the Grantee did not submit a Contractual Services Certification prior to requesting payment.

Insurance

At all times during the Agreement and prior to performing any work, the Agreement required the Grantee, at its sole expense, to maintain insurance coverage to include Commercial General Liability Insurance, Commercial Automobile Insurance, and Workers' Compensation and Employer's Liability Coverage. It further stated, *Upon execution of this Agreement, Grantee shall provide Department documentation demonstrating the existence and amount for each type of applicable insurance coverage prior to performance of any work under this Agreement.* Our review determined the Grantee did not provide proof of insurance coverage to the Department. Additionally, the subcontractor's proof of insurance that was provided did not cover the performance period of the project; as a result, liability coverage could not be verified for the project during the performance period.

Written Communication

The Agreement stated, *All approvals, written or verbal, and other written communication among the parties, including all notices, shall be obtained by or sent to the parties' Grant Managers...If a different Grant Manager is designated by either party after execution of this Agreement, notice of the name and contact information of the new Grant Manager will be submitted in writing to the other party and maintained in the respective parties' records.* Our review found that almost all communications, including the submission of deliverables and the final payment request, did not include the Grantee's listed Grant Manager; instead, most communications were with the Director of Intergovernmental Affairs. The Grantee confirmed that the Grant Manager had changed; however, there was no written notice submitted to the Department of such change before the expiration of the Agreement as required.

CONCLUSION

During the audit, we reviewed documentation related to the Agreement's requirements, the Grantee's completion of tasks and deliverables, payment requests, invoices, supporting documentation, and the Division's oversight of the Grantee's compliance with the Agreement. Based on our review, we determined that the Grantee's payment request was submitted in a timely manner, included only eligible expenses, and was substantiated by supporting documentation. However, our review noted some areas where controls could be strengthened. Our findings and recommendations are listed below.

FINDINGS AND RECOMMENDATIONS

Finding 1: Written Acceptance of Deliverables – The Division did not provide written acceptance of deliverables to the Grantee, as required by F.S. and the Agreement.

Pursuant to Section 215.971(1)(b), F.S., and the Agreement, all deliverables must be accepted in writing before payment and prior to the Grantee submitting a payment request. Our review determined the Division did not provide written acceptance of deliverables prior to the Grantee submitting the payment request and receiving payment. Based on the Agreement and discussions with the Grant Manager, this was due to the Payment Request Summary Form being part of the deliverables.

Recommendation:

We recommend the Division provide training to Grant Managers and ensure that written acceptance of deliverables is provided to Grantees prior to processing payment requests, and that documentation is retained, as required by the Agreement and F.S.

Management's Response:

For the final two TRAIL GO agreements, the review and acknowledgment of bill of landing and/or delivery statements for items will be completed prior to submitting the Grantee's payment reimbursement request. Department staff are required to register and attend DFS [Department of Financial Services] People First grant training. Staff will also participate in Florida Certified Contract Manager training, which includes grant management modules. If the TRAIL GO program receives future funding, Exhibit 6 of the agreement will include language that clearly separates the final payment request summary from the acceptance of deliverables.

Finding 2: Required Reports and Forms – The Grantee did not submit the Project Completion Certificate, Progress Report Forms, Final Project Report Form, Photo Release Form, Contractual Services Certification, or insurance documentation, as required by the Agreement.

Our review determined the Grantee did not submit the following reports and forms required by the Agreement:

- **Project Completion Certificate:** *Upon review and written acceptance by the Department's Grant Manager of the Project Completion Certificate and the*

Deliverables under each Project Task, the Grantee may proceed with the payment request submittal. The Grantee did not submit a Project Completion Certificate.

- **Quarterly Status Reports:** *The Grantee shall submit status reports quarterly...Quarterly status reports are due no later than twenty (20) days following the completion of the quarterly reporting period. For the purposes of this reporting requirement, the quarterly reporting periods end on March 31, June 30, September 30 and December 31. We determined only one Progress Report Form had been submitted at the end of the project with the payment request.*
- **Final Project Report Form:** *The Grantee must submit Exhibit F, Final Project Report Form, prior to requesting final payment. The Grantee did not submit a Final Project Report.*
- **Photo Release Form:** *The Grantee must submit Exhibit G, Photo Release Form, with the first submission of deliverables and reports (Exhibit A and F) that include photos. The Grantee submitted photos with the Progress Report Form; however, the Grantee did not submit a Photo Release Form.*
- **Contractual Services Certification:** *For all grant agreements that include Contractual Services as an expenditure category, the Grantee must submit Exhibit H, Contractual Services Certification, and all required supporting documentation for all contractors conducting work under the grant agreement, prior to requesting payment that includes contractual services. The Grantee used a subcontractor to install the LED security lights; however, the Grantee did not submit a Contractual Services Certification prior to requesting payment.*
- **Insurance:** *Upon execution of this Agreement, Grantee shall provide Department documentation demonstrating the existence and amount for each type of applicable insurance coverage prior to performance of any work under this Agreement. Our review determined the Grantee did not provide proof of insurance coverage to the Department.*

Recommendation:

We recommend the Division provide training to Grant Managers to ensure that all reports, forms, and insurance documentation are submitted as required by the Agreement prior to processing payments.

Management's Response:

Missing example final project report and photo release forms have been added to the remaining TRAIL GO example emails and sent for the last two TRAIL GO agreements awarded to the community. Department staff are required to register and attend DFS People First grant training. Staff will also participate in Florida Certified Contract Manager training, which includes grant management modules. If the TRAIL GO program is funded in the future, the exhibits, final project form, photo release form, and contractual services verification, will be listed as attachments on page two of the standard grant agreement.

STATEMENT OF ACCORDANCE

Statement of Accordance

The Mission of the OIG is to promote accountability, integrity, and efficiency by providing quality audits, investigations, management reviews, and technical assistance.

This audit was conducted pursuant to Section 20.055, F.S., and in accordance with *Government Auditing Standards*, as published by the United States Government Accountability Office, and *Principles and Standards for Offices of Inspectors General*, as published by the Association of Inspectors General. The audit was conducted by Megan Chrisler and supervised by Susan Cureton.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives.

We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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